



North Carolina  
Department of Health and Human Services  
**Division of Medical Assistance**  
**Finance Management**

1985 Umstead Drive – 2501 Mail Service Center - Raleigh, N.C. 27699-2501  
Courier Number 56-20-06

Michael F. Easley, Governor  
Carmen Hooker Odom, Secretary

Mark Benton, Interim Director

May 1, 2006

Dear Personal Care and CAP-DA Service Provider:

Each year, the Division of Medical Assistance requests cost data from Personal Care Service providers in accordance with Paragraphs 7 and 8 of the Medicaid Participation Agreement.

According to the Medicaid Participation Agreement signed by your agency, the Division of Medical Assistance can require providers "to disclose fully the extent of services provided and billed to the Medicaid Program..." (A.5.) and "On request, furnish to the Division of Medical Assistance (DMA) and its agents, the Centers for Medicare and Medicaid (CMS), or the State Medicaid Fraud Control Unit of the Attorney General's Office, any information or records, including records of any outside entities, contractors, or subcontractors for cost related to services provided to Medicaid patients and billed to the Medicaid Program." (A.6.). Furthermore, B.10.a states the Division of Medical Assistance may terminate the provider agreement if "the provider fails to meet conditions for participation..." Non-compliance with the PCS cost report requirements will result in withholding Medicaid dollars from your agency.

This year's cost report is due **July 28, 2006**. If the cost report is not completed and received at NC DMA by **July 28, 2006** then the Division of Medical Assistance shall withhold **twenty percent** of future payments until the cost report is filed with the financial statements and appropriate signatures.

A copy of the cost report package is available online at [www.dhhs.state.nc.us/dma](http://www.dhhs.state.nc.us/dma) under Provider links, click on Provider links then scroll down to click on Personal care Services (PSC) cost Report. A paper or diskette copy is also available by notifying the Division of Medical Assistance by phone or fax. After completing the cost report, you may submit it electronically by sending your file to Betty Jones at [Betty.Jones@ncmail.net](mailto:Betty.Jones@ncmail.net). However, because we still need a hard copy of the signatures on Schedule A, you must mail the original signature page of Schedule A and the required financial statement to:

N.C. Division of Medical Assistance  
Attention: Betty Jones  
Financial Operations  
2501 Mail Service Center (4)  
Raleigh, NC 27699-2501

You must also mail an enclosure a diskette of the complete cost report along with the original signed Schedule A form and financial statement or you can send it electronically by e-mail. Please remember this cost report is based on **your** agencies fiscal year (2004-2005) or the calendar year (2005) reporting period.

Again, please contact **Betty Jones at (919) 855-4200 or by email to Betty.Jones@ncmail.net**, should you have any questions on the cost report. Your efforts in completing the cost report are appreciated and are essential to the Division of Medical Assistance's cost evaluation of the Personal Care Service Program.